



PREVAILED

Roll Call No. _____

FAILED

Ayes _____

WITHDRAWN

Noes _____

RULED OUT OF ORDER

HOUSE MOTION _____

MR. SPEAKER:

I move that House Bill 1485 be amended to read as follows:

- 1 Page 1, between the enacting clause and line 1, begin a new
- 2 paragraph and insert:
- 3 "SECTION 1. IC 6-1.1-4-43 IS ADDED TO THE INDIANA CODE
- 4 AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE
- 5 MARCH 1, 2015 (RETROACTIVE)]: **Sec. 43. (a) Except as**
- 6 **otherwise provided, this section applies to the following:**
- 7 **(1) Real property assessed on the March 1, 2015, assessment**
- 8 **date and assessment dates thereafter.**
- 9 **(2) Real property assessed on assessment dates preceding the**
- 10 **March 1, 2015, assessment date, if an administrative appeal**
- 11 **or judicial proceeding concerning the assessment is pending**
- 12 **on March 1, 2015, regardless of whether a hearing or oral**
- 13 **argument has been held in the administrative appeal or**
- 14 **judicial proceeding.**
- 15 **(b) The valuation requirements in this section do not apply to**
- 16 **property that is assessed as provided in any of the following:**
- 17 **(1) IC 6-1.1-4-39.**
- 18 **(2) IC 6-1.1-4-39.5.**
- 19 **(3) IC 6-1.1-4-40 and IC 6-1.1-4-41.**
- 20 **(4) IC 6-1.1-4-42.**
- 21 **(5) IC 6-1.1-8.5.**
- 22 **(6) IC 6-1.1-8.7.**

(c) The valuation requirements in this section do not apply to the assessment of real property after the real property is sold in an arm's length sale transaction. An arm's length sale transaction does not include a transaction in which the original owner or the initial intended user of the real property, or both the original owner and the initial intended user, remain affiliated with the property as an owner of any percentage interest or as a tenant.

(d) As used in this section, "chain stores" means a group of similar establishments that:

(1) have similar architecture, store design, and choice of product or service using standardized business methods and practices that are spread statewide, nationwide, or worldwide; and

(2) have a central headquarters or are operated under franchise contracts.

(e) As used in this section, "sale-leaseback" means a transaction in which one (1) party sells a property to a buyer, and the buyer leases the property back to the seller.

(f) As used in this section, "special purpose property" means a property that meets the following conditions:

(1) The property has one (1) or more of the following characteristics:

(A) A unique physical design that enhances the utility to the person for whom the structure is built, either the owner-occupant or tenant of the property.

(B) Special construction materials that enhance the utility to the person for whom the structure is built, either the owner-occupant or tenant of the property.

(C) A layout that enhances the utility to the person for whom the structure is built, either the owner-occupant or tenant of the property.

(2) The utility of the structure to the first owner-occupant or tenant is significantly higher than the utility that is passed on to the secondary market, because of the willingness of the first owner-occupant or tenant to incur the costs of land acquisition or improvement construction.

The term includes buildings of fifty thousand (50,000) square feet or more (commonly referred to as big box stores), fast food restaurant chain properties, national retail drugstores, movie theaters, home improvement chain stores, dining lounge chain properties, industrial properties, banks, fitness club properties, and chain stores.

(g) Under its authority to provide for a system of assessment and taxation characterized by uniformity, equality, and just valuation based on property wealth, the general assembly finds that the market value-in-use of special purpose properties and sale-leaseback properties shall be determined as provided in this

1 **section. The market value-in-use of special purpose properties and**
2 **sale-leaseback properties is equal to the value derived from**
3 **applying the cost approach. Land value used for purposes of this**
4 **subsection is equal to the amount paid for the land, with the only**
5 **adjustments being the annual adjustments under section 4.5 of this**
6 **chapter. Improvement value used for purposes of this subsection**
7 **is the cost of improvements as specified in the property owner's**
8 **books and records, less depreciation, for federal tax purposes.**
9 **Further evidence of the actual cost includes construction costs,**
10 **including all direct and indirect expenses, such as costs of all**
11 **improvements, management fees, site improvements, architect fees,**
12 **labor, builder overhead, and similar costs. Upon written request,**
13 **the owner or occupant of the property shall provide information**
14 **concerning actual construction costs and federal tax schedules to**
15 **the county assessor in order for the appeals process provided for**
16 **in IC 6-1.1-15 to proceed."**

17 Renumber all SECTIONS consecutively.

(Reference is to HB 1485 as printed February 17, 2015.)

Representative Pryor